THE IMPACT OF PAID PARENTAL LEAVE IN DELAWARE, Fiscal Year 2021

Department of Human Resources

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This report was prepared for the Delaware General Assembly and Governor John C. Carney, as required in House Bill 3 with House Amendment 4, passed during the 149th General Assembly session.

Per HB 3, the Department of Human Resources shall submit a report to the Delaware General Assembly and the Governor on the parental leave program annually. The report shall include projected program participation, actual program participation, demographic information of participants, including gender, race, and ethnicity, duration of leave taken by participants, outreach efforts, and impacts of the program on recruitment and retention. Reorganized school districts, charter schools and vocational school districts shall submit their program participation, demographic information of participants, including gender, race and ethnicity, duration of leave taken by participants, outreach efforts, and impacts of the program on recruitment and retention to the Department of Human Resources annually to be included in the report to the General Assembly and the Governor. To provide the required data for the report, the DHR extracted the statistics for all agencies and schools from the state's human resource information system and was able to verify the information for Executive Branch agencies only. For more information, contact:

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INTRODUCTION: ESTABLISHING THE POLICY

With the passage of this legislation, Delaware joined at least a dozen other states that provide at least some paid parental leave to state workers (National Partnership for Women & Families, 2020). From July 1, 2020, until June 30, 2021, 1,897 state employees, including those from the executive branch, non-executive branch, school districts, and charter schools participated in this leave benefit per the policy. This report reflects on the key elements of the leave benefit including how the policy was developed and distributed to agencies, data on projected and actual participation, data on the duration of leave, how the policy was communicated both internally and externally, as well as how the policy was integrated into recruitment and retention efforts.

Research shows that newborns whose mothers take leave for at least 12 weeks are more likely to be breastfed, receive medical check-ups, and get critical immunizations. Additionally, paid parental leave is associated with lower rates of mortality for infants and young children. Women with access to paid parental leave have an increased likelihood of returning to the labor market after giving birth, compared to women without paid leave and when fathers take paid parental leave, it is easier for mothers to return to the workforce and increase their earnings. Furthermore, involved fathers promote children's educational attainment and emotional stability, including fewer behavioral issues.

House Bill 3 with House Amendment 4 determined that Delaware's paid parental leave would provide up to 12 calendar weeks of parental leave to eligible employees upon the birth of a child of the employee, or upon the adoption by the employee of a child six (6) years of age or younger. The leave would run concurrently with the Family and Medical Leave Act (FMLA) and the state's Short-Term Disability (STD) benefit, and the entitlement to parental leave would expire at the end of the 12-month period beginning on the date of such birth or adoption. Any employee that left their employment with the State of Delaware prior to the end of the 12-month period would not be eligible for payment of any unused parental leave. Lastly, at the conclusion of parental leave, the State would restore the eligible employee to the same or equivalent position, barring any unforeseen circumstances unrelated to the employee's taking leave.

DHR Workgroup

To implement the components of the paid parental leave legislation, the Department of Human Resources created a workgroup which developed an executive branch policy governing the application and granting of leave including required notice and documentation. The new policy was distributed to all state agencies. DHR worked with the Office of Management and Budget (OMB) and Payroll Human Resource Statewide Technology (PHRST) to create new parameters so that agency and school staff could record and report on the appropriate data. Lastly, formal training on the new policy and the new codes to be used in PHRST were provided to agencies and schools.

SECTION 1: ACTUAL PROGRAM PARTICIPATION

The Department of Human Resources generated a report for Fiscal Year 2021 from Payroll Human Resource Statewide Technology (PHRST) to report on the utilization of paid parental leave from July 1, 2020, through June 30, 2021. In FY21, a total of 1,192 women and 705 men utilized paid parental leave. Out of the total 1,897 employees that used this benefit, 616 were executive branch employees, 97 were non-executive branch employees, and 1,184 were school district employees. The following tables provide data on paid parental leave use with breakouts for gender and race/ethnicity for state agencies (including both executive branch and non-executive branch agencies), as well as school districts and charter schools. It should be noted that an employee has one (1) year from the date of birth, adoption, or qualified placement to utilize the paid parental leave benefit. The report timeframe is per fiscal year, however, those who have a trigger date before the beginning of the new fiscal year are still eligible to use paid parental leave if they are within one year of the date of birth or adoption of a child six (6) years of age or younger. With approximately 25,000 state employees in executive branch agencies, non-executive branches, including the judiciary and legislative branches, school districts and charter schools, about 7.5% of all state employees utilized the paid parental leave benefit.

	Cou	int of Agency I 07/01		tilizing Paid P gh 06/30/202		е		
Male Count Taking PPL								
White	Black	Hispanic	Asian	American Indian	Pacific Islander	Multi	Total	
301	72	20	*	*	*	*	408	
Female Count Taking PPL								
White	Black	Hispanic	Asian	American Indian	Pacific Islander	Multi	Total	
184	90	18	*	*	*	*	305	

^{*}Any count smaller than 10 has been suppressed in order to protect personal health information as individuals may be identifiable.

Count of School District Employees Utilizing Paid Parental Leave 07/01/2020 through 06/30/2021								
Male Count Taking PPL								
White	Black	Hispanic	Asian	American Indian	Pacific Islander	Multi	Total	
219	55	*	*	*	*	*	297	
Female Count Taking PPL								
White	Black	Hispanic	Asian	American Indian	Pacific Islander	Multi	Total	
727	90	44	13	*	*	10	887	

^{*}Any count smaller than 10 has been suppressed in order to protect personal health information as individuals may be identifiable.

Count of Total State Employees Utilizing Paid Parental Leave 07/01/2020 through 06/30/2021								
Male Count Taking PPL								
White	Black	Hispanic	Asian	American Indian	Pacific Islander	Multi	Total	
520	127	27	17	*	*	11	705	
Female Count Taking PPL								
White	Black	Hispanic	Asian	American Indian	Pacific Islander	Multi	Total	
911	180	62	17	*	*	19	1,192	

^{*}Any count smaller than 10 has been suppressed in order to protect personal health information as individuals may be identifiable.

SECTION 2: DURATION OF LEAVE TAKEN BY PARTICIPANTS

The provision of paid parental leave taken by participants is 12 weeks annually from the date of birth, adoption or qualified placement for the executive branch, the non-executive branch, as well as school districts and charter schools. Given the capacity and authority of the Department of Human Resources over the input of data, DHR can only validate and report on the duration of leave data for executive branch agencies. Excluding school districts and charter schools, state employees took an average of 12 weeks of paid parental leave; men took an average of 11.5 weeks and women took an average of 12 weeks. Compared to the first year of the program, the duration increased slightly from an average of 10 weeks to an average of 12 weeks. The duration of leave for school districts and charter schools could not be reliably determined given the limits of the data reporting capacity of the Department of Human Resources.

SECTION 3: OUTREACH EFFORTS

There were several ways in which information about paid parental leave was communicated both internally and externally. For example:

- Posters highlighting this benefit as one of the many benefits state employees enjoy continued to be distributed and displayed to inform external audiences.
- Posters for internal audiences to create awareness and inform employees aware of the policy continued to be distributed and displayed.
- Graphics on the TV screens of the Carvel State Office Building promote the benefit.
- Frequently Asked Questions remain available on the DHR website.
- A video about the benefit remains prominently featured on the Statewide Benefits website.
- Updates were made to materials used for onboarding new state employees

To gather feedback from state employees regarding paid parental leave and its influence on recruitment and retention, the Department of Human Resources surveyed state employees that had utilized the paid parental leave benefit from July 1, 2020, through June 30, 2021. In June 2022, 147 employees from school districts and the executive and non-executive branches completed the survey. The purpose of the survey was to evaluate the employee perspective on the process of taking parental leave, its impact on recruitment and retention, the effect of the leave policy on families, and how the State of Delaware can better support state employees with young children. Respondents were asked to rate the responsiveness of agencies, supervisors, and Human Resources (HR) offices to requests for paid parental leave and questions regarding the program; the ease and clarity of the paid parental leave application and approval; whether the paid parental leave program had a positive effect on willingness to return to work with the State of Delaware; and if the state's benefits, including paid parental leave, were attractive to individuals seeking employment. Respondents were given the opportunity to add additional commentary related to those four areas. While the sample size was relatively small, nearly 96% of employees completing the survey agreed to strongly agreed that their requests and questions about paid parental leave were met with responsiveness. Additionally, 87% of employees felt the paid parental leave application and approval process was easy and clear. Regarding retention and recruitment, 97% of employees agreed to strongly agreed that this benefit had a positive effect on willingness to return to work with the State of Delaware and 95% reported that the state's benefits, including paid parental leave, were attractive to individuals seeking employment.

The testimonials of state employees as well as comments gathered through the survey can speak directly to the positive impact paid parental leave has had over the first year of the program.

"The parental leave was a strong incentive for me to stay with the State of Delaware for employment and motivated me to work there."

"The paid parental leave was key to me returning to work. I was able to get additional time with my little one and was able to feel secure in their development prior to returning to work."

"Once in a lifetime opportunity to appreciate a bonding experience with a newborn. The mental health aspect of being there for my child immediately created a more comfortable mindset."

"Allowed me to spend time with my newborn in those critical early months of development."

"When I took leave, I was a first-time parent. Being able to be home with my son during those critical first few months while not having to worry about income is something that cannot be put into words, especially during a global pandemic and a time of uncertainty.

"I was able to heal, spend time with my family, and create a schedule that would work best for my family during my maternity leave. It was truly a great experience."

"The benefit allowed me to bond with my baby, as well as to properly heal in the process. I had some minor medical complications after childbirth, and my baby had some as well. The parental leave allowed for me and my family to focus on that and not worry about a quick return to work."

"Paid leave is a huge bonus/ready to work for the State. Even know that I am done having children, that benefit and the impact it had on my peace of mind makes me want to stay with the State. Another reason it was so successful is due to my management's support and willingness to talk before during and after."

SECTION 4: PROJECTED PROGRAM PARTICIPATION

Projected program participation for fiscal year 2022 (FY22) is estimated to be roughly 1,923 employees, based on FY21 utilization, and demographic information for the school districts and agencies. This projection includes 306 men and 899 women from the school districts as well as 417 men and 301 women from agencies. Overall, a slight increase in utilization is expected over FY21. There is also an assumption of 1% enrollment growth across all populations. There was a significant increase in the number of employees utilizing paid parental leave in FY21 compared to the first fifteen months of the program. This is a natural increase as research has shown that a paid parental leave benefit can increase fertility rates. Furthermore, research also indicates that not only does a paid parental leave benefit which includes both mothers and fathers have significant impacts on equality but wage replacement, job protection, and leave for both parents, all elements that the state benefit includes, strongly influence take-up rates. VI Numerous studies over the past two decades "that examine the effects of paid parental leave indicate that it contributes to fewer low birthweight babies, fewer infant deaths, higher rates of breastfeeding, longer parental lifespan and improved mental health, as well as increased long-term achievement for children."vii While more state employees are using the benefit, large bodies of research illustrate the reason for such an uptick as well as the many positive impacts of such a program including employee retention.

CONCLUSION

In just a few short years, the paid parental leave benefit has become an attractive and well-received benefit to the state workforce. As evidenced by the employee survey, satisfaction with the benefit is higher than in previous years, and nearly all respondents to the survey (95%) felt this benefit helps with recruitment. Employees shared many stories of their positive experiences with the benefit and the impact it has had. In terms of potential improvements, given the number of different agencies

administering parental leave, data entry into PHRST must be monitored routinely to generate consistent data for this report. While all agencies were trained on the policy and on how to enter the required information as well as generate the appropriate reports by PHRST, DHR is responsible for extracting all PHRST data for the report, including those agencies outside of the executive branch. For executive branch agencies, DHR will continue to provide education on appropriate parental leave data entry at regular intervals during the year. The key is to provide accurate and consistent information to both supervisors and employees eligible for paid parental leave benefit. Overall, paid parental leave continues to be a valuable asset in maintaining the State of Delaware's reputation as a family-friendly workplace.

ENDNOTES

¹ Rossin-Slater M., & Uniat. (March 2019). Paid Family Leave Policies And Population Health. https://www.healthaffairs.org/do/10.1377/hpb20190301.484936/full/ Health Affairs Publication ^{II} Ibid.

^{III} Bartel, A., Rossin-Slater, M., Ruhm, C., Stearns, J., & Waldfogel, J. (2015). Paid Family Leave, Fathers' Leave-Taking, and Leave-Sharing in Dual-Earner Households (No. w21747). National Bureau of Economic Research Publication.

^{iv} Smith, K. (2015, February 3). After the Great Recession, More Married Fathers Providing Child Care. Carsey School of Public Policy Publication

^v Bassford, Micaela & Hayley Fisher. (2020). The Impact of Paid Parental Leave on Fertility Intentions. https://onlinelibrary.wiley.com/doi/10.1111/1475-4932.12561

vi Burtle, Adam & Stephen Bezruchka. (2016). Population Health and Paid Parental Leave: What the United States Can Learn from Two Decades of Research. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4934583/ vii Ibid.